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OFFICE OF CONSUMER PROTECTION

UNITED STATES BANKRUPTCY COURT

DISTRICT OF HAWAII

In re:	)	Case No. 15-01446
	)	Chapter 7
ANABEL GASMEN CABEBE,	)	
	)	
Debtor.	)	
	)	
	)	
STATE OF HAWAII, by its OFFICE	)	
OF CONSUMER PROTECTION,	)	Adv. Pro. No. 16-90011
	)	
Plaintiff,	)	
	)	
v.	)	
	)	
ANABEL GASMEN CABEBE,	)	
	)	
Defendant.	)	
	)	
	)	

PLAINTIFF'S CONCISE STATEMENT OF MATERIAL FACTS

No.	Material Fact	Evidentiary Support
1.	Anabel Cabebe (“Cabebe”) has operated a business in Hawaii called Mortgage Enterprise Investments, also sometimes known as Mortgage Enterprises Investments (collectively “MEI”).	Complaint, ¶16 Exhibits C, D, E, F, N, V and AA
2.	Cabebe operated MEI with the assistance of Anthony Williams (“Williams”).	Complaint, ¶31 Exhibit D
3.	Cabebe claimed that MEI was overseen by the Common Law Office of America, for which she claimed she served as a deputy private attorney general and Williams served as a private attorney general.	Complaint, ¶32 Exhibits D and E
4.	Cabebe offered MEI’s services to consumers, being people who would use the service primarily for their own personal, family, or household purposes.	Complaint, ¶¶18,245,264 Exhibit I
5.	Cabebe claimed that MEI was a mortgage reduction service that is guaranteed to cut in half a homeowner’s mortgage loan balance, monthly mortgage payment, and mortgage loan term.	Complaint, ¶19 Exhibits C, I and N
6.	At all times Cabebe operated MEI with the intent and purpose of defrauding consumers.	Complaint, ¶¶26,27,246,265-267
7.	Cabebe created, and distributed to prospective new clients, standard MEI forms, which included a “Statutory Short Form Power of Attorney,” a “Homeowner Service Guarantee Agreement,” and a “Foreclosure Disclosure Terms and Conditions” sheet.	Complaint, ¶35; Complaint Exhibits 3-8 (Dkt #1-3, pp.1-13) Exhibit I
8.	Cabebe misrepresented to prospective clients that MEI guarantees its ability to both secure a monthly mortgage service payment that is one-half of the homeowner’s current mortgage payment and reduce the homeowner’s current mortgage loan pay-off term by one-half.	Complaint, ¶247 Complaint Exhibit 4 (Dkt #1-3, p.3) Exhibits C, I and N

9.	Cabebe misrepresented to prospective clients that MEI would fully refund any homeowner if MEI fails to secure a mortgage service payment that is one-half of the homeowner's current mortgage loan payment.	Complaint, ¶248 Complaint Exhibit 4 (Dkt #1-3,p.3) Exhibits C, I and N
10.	Cabebe misrepresented to prospective clients that because of the MEI refund guarantee, there was "no risk" to the consumer if MEI was unsuccessful in reducing a client's current mortgage loan payment by one-half.	Complaint, ¶249 Complaint Exhibit 4 (Dkt #1-3,p.3) Exhibits C, I and N
11.	Cabebe misrepresented to prospective clients that MEI has a "rock solid proven method" of reducing mortgages that had "yielded a 100% success rate" that allowed the company to stand firmly behind its guarantee.	Complaint, ¶250 Complaint Exhibit 6 (Dkt #1-3,p.10) Exhibits C, I and N
12.	Cabebe misrepresented to prospective clients that mortgages held by their lenders or servicers would be rendered invalid and unenforceable as the result of MEI's mortgage reduction service.	Complaint, ¶251 Exhibit I
13.	The benefits promised to an MEI client were supposed to be documented through the filing in the Bureau of Conveyances of the State of Hawaii ("Bureau") of a mortgage created in favor of MEI and/or a financing statement.	Complaint, ¶¶20,67 Complaint Exhibit 9 (Dkt #1-4,pp.1-2) Exhibit F
14.	Cabebe filed in the Bureau financing statements that provided that any prior mortgages recorded against a particular client's property are discharged.	Complaint, ¶54 Complaint Exhibit 9 (Dkt #1-4,pp.1-2) Exhibit Y
15.	Cabebe filed in the Bureau mortgages created in favor of MEI that provided that any prior mortgages recorded against a particular client's property are discharged.	Complaint, ¶67 Complaint Exhibit 11 (Dkt #2-2,pp.1-7) Exhibit F

16.	Cabebe filed the financing statements and mortgages in the Bureau with the intent and for the purpose of misleading MEI clients into believing that these MEI recordings would affect the validity and enforceability of prior mortgages held by the clients' lenders or servicers.	Complaint, ¶¶26,38,266 Exhibit 10 (Dkt #2-1) Exhibit I
17.	MEI's mortgages called for monthly payments in one-half the amount of a particular client's original mortgage, giving the appearance that the original mortgage had been reduced in half.	Complaint, ¶268 Exhibit 10 (Dkt #2-1, pp.1-3)
18.	Cabebe instructed MEI clients that all future monthly mortgage payments should be made to MEI under the client's MEI mortgage.	Complaint, ¶¶69,70,72 Exhibit 10 (Dkt #2-1, pp.1-3) Exhibits C and N
19.	Clients of MEI justifiably relied upon the representations about the MEI mortgage reduction service made by Cabebe and Williams.	Complaint, ¶¶260,316 Exhibits C and N
20.	Clients of MEI paid for the alleged mortgage reduction service in advance, and in addition, in many cases made monthly mortgage payments to MEI.	Complaint, ¶¶101,314 Exhibits C and N
21.	The lenders and servicers of MEI clients never agreed to modify or reduce the loan balances, the monthly payment amounts, or the terms of the loans.	Complaint, ¶312
22.	MEI is a fraud.	Complaint, ¶¶17,25-30. Exhibits A and B
23.	MEI never successfully reduced a client's mortgage.	Complaint, ¶¶37,313
24.	The mortgages made in favor of MEI and filed in the Bureau were not supported by a loan or any other consideration and are bogus and void.	Complaint, ¶¶71,72 Exhibit Z

25.	The financing statements filed in the Bureau were not supported by a loan or any other consideration and are bogus and void.	Complaint, ¶¶56,72 Exhibit Z
26.	Cabebe also operated a business in Hawaii called Mortgage Enterprise (“ME”).	Complaint, ¶122 Exhibits C, J, K, L, M, N, O, P, Q, R, S, T, U
27.	Cabebe operated ME with the assistance of Henry Malinay (“Malinay”).	Complaint, ¶¶135, 206,323,324 Exhibits A, B, C, J, K, L, M, N, and U
28.	Cabebe took the MEI business forms to create ME business forms that, except in name, are virtually identical in form and content to the MEI forms.	Complaint, ¶136 Exhibits I and J
29.	Cabebe offered ME’s services to consumers, being people who would use the service primarily for their own personal, family, or household purposes.	Complaint, ¶¶124,245,264 Exhibit J
30.	Cabebe claimed that ME was a mortgage reduction service that is guaranteed to cut in half a homeowner’s mortgage loan balance, monthly mortgage payment, and mortgage loan term.	Complaint, ¶125 Complaint Exhibit 14 (Dkt #1-8,p.2) Exhibits C, J and N
31.	At all times Cabebe operated ME with the intent and purpose of defrauding consumers.	Complaint, ¶¶130,131,265-267
32.	Cabebe ran the fraudulent ME business like MEI except that ME relied entirely on financing statements filed in the Bureau.	Complaint, ¶¶157,158
33.	Clients of ME justifiably and reasonably relied upon the representations about the ME mortgage reduction service made by Cabebe and Malinay and paid for the service in advance.	Complaint, ¶¶315,316 Exhibits C, I and N
34.	The lenders and servicers of ME clients never agreed to modify or reduce the loan balances, the monthly payment amounts, or the terms of the loans.	Complaint, ¶312

35.	ME is a fraud.	Complaint, ¶¶123-131,210 Exhibits A and B
36.	The operations of MEI and ME violated applicable consumer protection laws, for which Cabebe is liable to pay restitution, fines and penalties, and for which the Court may enter permanent injunctive relief, along with declaratory relief that all MEI and ME filings at the Bureau are void and released.	Complaint, ¶¶243 Exhibits A and B
37.	Cabebe committed common law fraud under Hawaii law by operating MEI and ME.	Complaint, ¶¶237,280,291,300-302,306 Exhibits A and B
38.	Cabebe, as well as her collaborators in MEI and ME, made false representations of material facts to consumers that were intended to induce consumers to act by signing up for the mortgage reduction service.	Complaint, ¶¶257,280,291,300-302,306 Exhibits A and B
39.	Cabebe made these representations with knowledge of, or reckless disregard for, their falsity.	Complaint, ¶258 Exhibits A and B
40.	Consumers justifiably relied upon Cabebe's false representations to their detriment.	Complaint, ¶¶170, 198 Exhibits C, J and N
41.	Cabebe fraudulently obtained money from consumers for a bogus mortgage reduction service, and consumers have valid claims against Cabebe.	Complaint, ¶246 Exhibits A and B
42.	Cabebe's involvement in MEI and ME violated Hawaii's prohibition of unfair or deceptive acts or practices in the conduct of any trade or commerce.	Complaint, ¶¶263,265-270 Exhibits A and B
43.	Cabebe at all times knew that neither MEI nor ME could deliver the mortgage reductions promised to consumers, yet at no time did she ever inform any of the consumers that the service did not work.	Complaint, ¶¶265-268
44.	Cabebe has knowingly and fraudulently concealed what remains of her share of the money derived from the operation of MEI and ME.	Complaint, ¶¶300-304,310

45.	Cabebe has deliberately and unreasonably failed and refused to cooperate with the investigation into her involvement in MEI and ME being conducted by OCP.	Complaint, ¶¶230,238 Exhibits T, V, W, and X
46.	Cabebe knowingly and falsely reported to the State Attorney General that her notary seal and notary book had been lost on March 28, 2015.	Complaint, ¶239 Exhibits F#4 and W
47.	After having been served with a subpoena duces tecum for her notary books on April 9, 2015, Cabebe knowingly and falsely claimed her notary book had been stolen the day before.	Complaint, ¶240
48.	Cabebe has engaged in professional misconduct sufficient to warrant the revocation, suspension or denial of her status as a notary public.	Complaint, ¶241
49.	In response to all of the allegations set forth in the Complaint, Cabebe asserted her Fifth Amendment privilege against self-incrimination. (“Defendant Cabebe invokes her Fifth Amendment right against self-incrimination as to all of the allegations contained in the Complaint.”)	Answer, Dkt # 8, p.2

Attached hereto are the following documents:

Exhibit A Findings of Fact and Conclusions of Law on Plaintiff’s Motion for Summary Judgment (Adv. Dkt #53) entered in Adv. Pro. No. 15-00044 (since reported as State of Hawaii Office of Consumer Protection v. Malinay (In re Malinay), 2015 WL 5208985 (Bankr.D.Hawaii 2015))

Exhibit B Judgment (Adv. Dkt #54) entered in Adv. Pro. No. 15-00044 (State of Hawaii Office of Consumer Protection v. Malinay (In re Malinay), (Bankr.D.Hawaii 2015))

Exhibit C Declarations from the consumer-complainants in support of their respective claims are listed below. The Pico claim, for example, is supported by the Declarations of both Melvin Pico and Sally Pico, designated as Ex.C#1A and Ex.C#1B, respectively. Declarations

supporting the first twenty claims (i.e., Ex.C#1 through Ex.C#20), were all previously filed in OCP's adversary proceeding filed against Henry Malinay. Declarations of the consumer-complainants may be identified as follows:

Ex.C#1A Melvin Pico Declaration  
Ex.C#1B Sally Pico Declaration  
Ex.C#2A Benilda Simon Declaration  
Ex.C#2B Rodrigo Simon Declaration  
Ex.C#3 Hilaria Taborada Declaration  
Ex.C#4 Romeo Lopez Declaration  
Ex.C#5 Prima Gijal Declaration  
Ex.C#6 Marites Quedding Declaration  
Ex.C#7A Dominador Barut Declaration  
Ex.C#7B Margarita Barut Declaration  
Ex.C#8A Reina Mata Declaration  
Ex.C#8B Robert Mata Declaration  
Ex.C#9 **and #14** Luz Lizada Declaration  
Ex.C#10A Clarita Callos Declaration  
Ex.C#10B Loreto Callos Declaration  
Ex.C#11A Clarita Callos Declaration  
Ex.C#11B Jusepina Callos Declaration  
Ex.C#12A Froilan Lagazo Declaration  
Ex.C#12B Leonilaemma Lagazo Declaration  
Ex.C#13A Bessie Gazmen Declaration  
Ex.C#13B Rudy Gazmen Declaration  
Ex.C#14 **and #9** Ceasar Lizada Declaration



Ex.C#15 Felicitas Pasion Declaration  
Ex.C#16A Elvira Andaya Declaration  
Ex.C#16B Larry Andaya Declaration  
Ex.C#17 Nelia Fabella Declaration  
Ex.C#18A Gudencia Simon Declaration  
Ex.C#18B Herminio Simon Declaration  
Ex.C#19 Rosario Kalb Declaration  
Ex.C#20A Antonio Palacio Declaration  
Ex.C#20B Enriqueta Palacio Declaration  
Ex.C#21A Zenaida Magbual Declaration  
Ex.C#21B Rogelio Magbual Declaration  
Ex.C#22A Danilo Pillos Declaration  
Ex.C#22B Macrina Pillos Declaration  
Ex.C#23 Josephine Leano Declaration  
Ex.C#24A Eleonor Sabas Declaration  
Ex.C#24B Esmenio Sabas Jr. Declaration  
Ex.C#25 Riza Magsayo Declaration  
Ex.C#26 Avelina Laurel Declaration  
Ex.C#27A Nida Gajonera Declaration  
Ex.C#27B Elmer Gajonera Declaration  
Ex.C#28 Zenaida Webb Declaration  
Ex.C#29 Violeta Natividad Declaration  
Ex.C#30A Norma Romero Declaration  
Ex.C#30B Claro Romero Declaration  
Ex.C#31 Josefina Lucena Declaration

Ex.C#32A Florencia Pasalo Declaration

Ex.C#32B Ernesto Pasalo Declaration

Ex.C#33 Remedios Oamil Declaration

Ex.C#34 Hermie Pestana Declaration

Ex.C#35 Milah Ventura Declaration

Ex.C#36 Patricia Nicolas Declaration

Exhibit D re CLOA's website

Ex.D#1 private attorney general profiles featured on the CLOA website,  
with link to Scam Alert

Ex.D#2 Scam Alert issued for Malinay, Franco et al.

Exhibit E Cabebe's Business Card

Exhibit F Recorded MEI Mortgages in 2015

Ex.F #1 2015.1.6 Cabebe MEI mortgage #1 (98-510 Kaamilo)

Ex.F #2 2015.1.6 Cabebe MEI mortgage #2 (1604 Democrat)

Ex.F #3 2015.1.6 Laforteza MEI mortgage

Ex.F #4 2015.5.26 Pasion MEI Mortgage

Ex.F #5 2015.6.2 Pillos MEI Mortgage

Ex.F #6 2015.6.5 Horowitz & Kane MEI Mortgage

Ex.F #7 2015.6.23 Subia (but not Invencion) MEI Mortgage

Ex.F #8 2015.6.25 Asuncion MEI Mortgage

Ex.F #9 2015.6.26 Madamba MEI Mortgage

Ex.F #10 2015.6.26 Pajela MEI Mortgage

Ex.F #11 2015.6.26 Troxel MEI Mortgage

Ex.F #12 2015.6.29 Calucag MEI Mortgage

Ex.F #13 2015.7.22 Pactanac MEI Mortgage

Ex.F #14 2015.8.11 Rumbawa MEI mortgage

Ex.F #15 2015.9.21 Lapitan MEI Mortgage

Exhibit G MEI Trade Name registered in Hawaii to A.Williams

Exhibit H MEI is not a Tennessee corporation

Exhibit I MEI forms (Exs. 3-8 to Complaint) re Pasalo

Exhibit J ME forms (Exs. 13-18 to Complaint) re Pasion

Exhibit K JPMorganChase signature card

Exhibit L Wells Fargo signature card

Exhibit M Union Bank check made by Cabebe payable to Cabebe

Exhibit N 36 Complaints to OCP from Consumers re bogus mortgage  
reduction service

Ex.N#1 Pico Complaint

Ex.N#2 Benilda and Rodrigo Simon Complaint

Ex.N#3 Taborada Complaint

Ex.N#4 Lopez Complaint

Ex.N#5 Gijal Complaint

Ex.N#6 Quedding Complaint

Ex.N#7 Barut Complaint

Ex.N#8 Mata Complaint

Ex.N#9 Luz Lizada Complaint

Ex.N#10 Loreto and Clarita Callos Complaint

Ex.N#11 Jusepina and Clarita Callos Complaint

Ex.N#12 Lagazo Complaint

Ex.N#13 Gazmen Complaint

Ex.N#14 Ceasar Lizada Complaint

Ex.N#15 Pasion Complaint  
Ex.N#16 Andaya Complaint  
Ex.N#17 Fabella Complaint  
Ex.N#18 Gudencia and Herminio Simon Complaint  
Ex.N#19 Kalb Complaint  
Ex.N#20 Palacio Complaint  
Ex.N#21 Magbual Complaint  
Ex.N#22 Pillos Complaint  
Ex.N#23 Leano Complaint  
Ex.N#24 Sabas Complaint  
Ex.N#25 Magsayo Complaint  
Ex.N#26 Laurel Complaint  
Ex.N#27 Gajonera Complaint  
Ex.N#28 Webb Complaint  
Ex.N#29 Natividad Complaint  
Ex.N#30 Romero Complaint  
Ex.N#31 Lucena Complaint  
Ex.N#32 Pasalo Complaint  
Ex.N#33 Oamil Complaint  
Ex.N#34 Pestana Complaint  
Ex.N#35 Ventura Complaint  
Ex.N#36 Nicolas Complaint

Exhibit O    Financing statement filed in the BOC for Simbulan

Exhibit P    consumer check from Simbulan deposited by Cabebe into her  
personal account

Exhibit Q re activity of ME bank account at Union Bank

Ex.Q#1 Cabebe signed check on Union Bank for ME at 1604 Democrat

Ex.Q#2 Cabebe signed check on Union Bank for ME at 1604 Democrat

Ex.Q#3 Cabebe signed check on Union Bank for ME at 1604 Democrat

Ex.Q#4 Cabebe signed check on Union Bank for ME at 1604 Democrat

Ex.Q#5 Cabebe signed check on Union Bank for ME at 1604 Democrat

Ex.Q#6 Cabebe signed check on Union Bank for ME at 1604 Democrat

Exhibit R re activity of ME bank account at JPMorganChase Bank

Ex.R#1 Cabebe signed check on JPMorganChase Bank for ME at 1604 Democrat

Ex.R#2 Cabebe check on JPMorganChase Bank for ME at 1604 Democrat

Exhibit S Wells Fargo Bank cashier's check payable to Cabebe

Exhibit T Cabebe's letter of 2014.8.18 to OCP lying about ME

Exhibit U re travel

Ex.U#1 ME check signed by Cabebe for travel expenses for Cabebe, Malinay, & Franco

Ex.U#2 Records of Hawaiian Airlines for air travel by Cabebe et al.

Exhibit V letter from A.Williams of 2015.4.16 to OCP re Cabebe with Cabebe in CLOA letterhead

Exhibit W Cabebe's letter to AG of 2015.7.9 re lost notary seal and book on 2015.3.28

Exhibit X OCP's letter of 2015.11.13 to A. Cabebe re her failure to contact OCP

Exhibit Y Cabebe's pro se filing of 2015.4.1 to enforce the MEI/ME UCC-1s

Exhibit Z Cabebe Testimony given at 2016.6.14 FMC

Ex.Z#1 Cabebe Testimony re bogus BOC filings (pp.38-48 of Ex.Z#2)

Ex.Z#2 Entire Transcript

Exhibit AA Cabebe personally named as a defendant in suits filed by consumers

Exhibit BB Summary of Consumers' Restitution Claims

Exhibit CC Act 007 re HRS Ch. 480 Gov M 1107

Exhibit DD Sulla v Horowitz

Exhibit EE Consumer Creditors of Anabel Cabebe that have filed for bankruptcy

Exhibit FF Declaration of John N. Tokunaga

DATED: Honolulu, Hawaii, August 4, 2016.

/s/ James F. Evers

JAMES F. EVERS

Attorney for State of Hawaii

Office of Consumer Protection

Certificate of Compliance with Word Limitations

The foregoing table of the concise statement of material facts does not contain more than 1500 words, in compliance with LBR 7056-1(d) and LR 7.5(d). The Index of Exhibits was omitted from the word count.

DATED: Honolulu, Hawaii, August 4, 2016.

/s/ James F. Evers

JAMES F. EVERS

Attorney for State of Hawaii

Office of Consumer Protection